GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:817
ANSWERED ON:13.07.2004
PRODUCTION COST OF STEEL
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Will the Minister of STEEL be pleased to state:

(a) the production cost of steel produced in India viz a viz other countries during each of the last three years;

(b) the gap between demand and supply of steel in the country; and

(c) the steps taken to boost the production of steel?

Answer

MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The production cost of steel is classified commercial information for the steel companies and data for the same is not maintained by the Ministry of Steel.

(b) The domestic demand for steel is being fully met in the country except for some specialised grades required in small quantities. In fact, the overall supply is in excess of demand since apparent consumption of steel, which reflects domestic demand, was 30.3 million tonnes in 2003-04 as against a domestic finished steel production of 36.2 million tonnes.

(c) In a deregulated and liberalized environment, the Government does not directly intervene in the production of steel. The Government plays the role of a facilitator and provides an enabling environment through policy initiatives to foster growth of the steel industry. The Government has taken several steps to increase the production of steel such as modernization and expansion of public sector steel plants and adoption of various policy measures to encourage creation of additional steel production capacity in the private sector. Indian steel producers have also taken steps to meet the domestic requirement of steel including upgradation of technology, improvement in productivity, improvement in quality of products and adoption of an appropriate product mix to meet the requirement of the consumers.